

## Message Text

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PAGE 01 STATE 052869  
ORIGIN EB-08

INFO OCT-01 EUR-12 ISO-00 COME-00 DODE-00 NSAE-00  
USIA-06 TRSE-00 SOE-02 DOE-11 CIAE-00 ACDA-12  
/052 R

DRAFTED BY EB/ITP/EWT: B R FURNESS  
APPROVED BY EB/ITP/EWT: R PRACHT  
COMMERCE/OEA - CSEASWORD (SUBS)  
DEFENSE/OSD - LJAMES (SUBS)  
EUR/WE: - EJBEIGEL (SUBS)  
EB/ITP/EWT - WAROOT  
EUR/EE - SFROMOWITZ (SUBS)  
-----081342 020006Z /64

P 012250Z MAR 78  
FM SECSTATE WASHDC  
TO AMEMBASSY PARIS PRIORITY  
INFO AMEMBASSY BUCHAREST PRIORITY  
AMEMBASSY ROME

C O N F I D E N T I A L STATE 052869

USOECN, EXCON

E.O. 11652: XGDS-1

TAGS: ESTC, COCOM, IT, RO

SUBJECT: ITALIAN INTEGRATED CIRCUITS TO ROMANIA

TECHNICAL RATIONALE FOR USG OBJECTION

REF: (A) COCOM DOC (77)L40; (B) STATE 51835

1. RATIONALE TO SUPPORT USG OBJECTION IN REFERENCED CASE  
(SEE PARA3, REF B) IS AS FOLLOWS:

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(A) INTRINSIC CAPABILITY OF CHIP SET. THE M38 MICRO-COMPUTER IS A POWERFUL AND FLEXIBLE DEVICE, WITH SUBSTANTIAL END-USER ACCESS TO PROGRAMMABLE CAPABILITY. IT IS SIMILAR TO THOSE USED IN A WIDE-RANGE OF MILITARY, INDUSTRIAL AND CONSUMER APPLICATIONS. DEPENDING ON PROGRAMMING, THE M38 SERIES COULD BE USED INTER ALIA IN MILITARY APPLICATIONS SUCH AS MISSILE GUIDANCE SYSTEMS,

FIRE CONTROL SYSTEMS, SECURE COMMUNICATIONS LINKS, AND INTRUSION DETECTION SYSTEMS; IN INDUSTRIAL APPLICATIONS SUCH AS NUMERICAL CONTROLLERS FOR MACHINE TOOLS, ELECTRONIC TEST EQUIPMENT AND INSTRUMENTATION, AND DESK TOP COMPUTERS AS WELL AS IN CONSUMER/CIVIL EQUIPMENT SUCH AS THE APPLICANT INDICATES IS THE END-USE FOR THE CIRCUITS IN THE PROPOSED TRANSACTION.

(B) RISK OF DIVERSION. DURING THE REVIEW WITH THE APPLICANT'S TECHNICIANS, USG REPRESENTATIVES EXPRESSED CONCERN THAT THE ICS WERE NOT SPECIFICALLY PRE-PROGRAMMED OR MASK-PROGRAMMED FOR THE STATED END-USE AND THAT THE ICS WOULD BE SHIPPED IN WAFER FORM, NOT AS ASSEMBLED AND ENCAPSULATED DEVICES. IN THE OPINION OF USG TECHNICIANS, THIS SIGNIFICANTLY INCREASED THE RISK THAT SOME ICS WOULD BE DIVERTED, POSSIBLY FOR THE CONSTRUCTION OF HYBRID CIRCUITS SIGNIFICANTLY ENHANCING THE CAPABILITY AND POWER OF THE ICS TO BE TRANSFERRED.

(C) ADMINISTRATIVE SAFEGUARDS. THE ITALIAN DELEGATION'S RESPONSE TO THE CONCERNS PREVIOUSLY RAISED HAS BEEN, GENERALLY SPEAKING, TO EMPHASIZE ADMINISTRATIVE SAFEGUARDS SUCH AS END-USE STATEMENTS AND INSPECTION AND INVENTORY CONTROL THAT ARE MOST FREQUENTLY APPLIED TO COMPUTER CASES. VISITATION AND REPORTING REQUIREMENTS IN CONNECTION WITH ICS OR OTHER SMALL COMPONENTS SHIPPED IN LARGE  
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QUANTITIES FOR INCORPORATION IN END PRODUCTS THEMSELVES WIDELY DISPERSED ARE CONSIDERABLY LESS EFFECTIVE THAN INTRINSIC LIMITATIONS ON DEVICE PERFORMANCE, SUCH AS LITTLE ACCESS TO EXTERNAL MEMORY, COMPUTATIONAL CAPABILITY, PREPROGRAMMING AND DEDICATION.

2. IN RESPONSE TO SPECIFIC REQUEST, DEPARTMENT PLANS TO INFORM ITALIAN EMBASSY IN WASHINGTON OF U.S. DECISION ON MARCH 3. VANCE

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** STRATEGIC TRADE CONTROLS, EXPORT LICENSES, ELECTRIC EQUIPMENT  
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**Decaption Date:** 01 jan 1960  
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**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 20 Mar 2014  
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**Disposition History:** n/a  
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**Status:** NATIVE  
**Subject:** ITALIAN INTEGRATED CIRCUITS TO ROMANIA TECHNICAL RATIONALE FOR USG OBJECTION  
**TAGS:** ESTC, IT, RO, COCOM  
**To:** PARIS USOECD  
**Type:** TE  
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**Review Markings:**  
Sheryl P. Walter  
Declassified/Released  
US Department of State  
EO Systematic Review  
20 Mar 2014  
**Markings:** Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014